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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 06/25/07

- 1) Top headlines
- 2) Editorials
- 3) Prime Minister's weekend schedule

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- 4) Prime Minister Abe; Hill visit to Pyongyang produced a certain amount of result
- 5) Abe will look now for action from the DPRK, stresses importance of resolving abduction issue
- 6) Hill in meeting with Japan's delegate to six-party talks Sasae says he expects North Korea to shut down nuclear facility in three weeks
- 7) Hill: North Korea did not show positive attitude toward abduction issue when he brought it up
- 8) Japanese government heightens concern about lack of progress on abduction issue s DPRK seemingly moves on first stage of nuclear agreement
- 9) Yomiuri editorial: DPRK urged to take concrete action toward scrapping nuclear program
- 10) Mainichi editorial: Concern that US-Japan cooperation on denuclearization of North Korea might be lost
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1) TOP HEADLINES

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Hokkaido police search meat processing firm over false labeling of ground beef, seek to establish fraud case

Mainichi:

Poll: five political parties call for reviewing 1997 cabinet decision to reduce number of medical students

Nihon Keizai:

SESC to review all investment funds starting in September

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Winning 45 seats might save Prime Minister Abe's job

Tokyo Shimbun:

Chongryon real estate sale: Prosecutors may apply charges of fraud on agency

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2) EDITORIALS

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- (2) Air pollution suit: Make best use of Supreme Court's recommendation to settle the case amicably

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- (1) Palestinians, don't make independence dream wither away
- (2) Chytridiomycosis: Pay attention to crisis of ecosystem!

Yomiuri:

- (1) Urban ozone: "Transborder smog" from China problematic
- (2) Doctor-Heli system: Improvement in critical care system urged

Nihon Keizai:

Need for new growth strategy

Sankei:

- (1) Chongryun real estate sale: Shed light on involvement in the sale by Chongryun vice chairman
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- (1) Japan should play role to break deadlock in WTO talks
- (2) People's understanding of environmental technology will reduce green house gas emissions

Akahata:

Residential tax: Vent the anger on LDP and New Komeito

3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, June 23

NIHON KEIZAI (Page 2) (Full)
June 24

08:43

Left Haneda Airport by JAL 905.

10:48

Arrived at Naha Airport.

11:30

Offered a wreath at Okinawa National Cemetery for war dead in Peace Memorial Park in Itoman City, Okinawa. Then attended a memorial ceremony for all the war dead in Okinawa.

13:25

Met with Upper House President Ogi and Okinawa Governor Nakaima at Naha Airport.

14:25

Left Naha Airport by JAL 910.

16:25

Arrived at Haneda Airport.

17:15

Had a haircut at Barber Muragi at Hilton Hotel.

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19:11

Arrived at the official residence.

19:34

Dined with his wife Akie and her father Akio Matsuzaki, advisor to Morinaga & Co., at a Chinese restaurant at Strings Hotel Tokyo Intercontinental.

22:09

Arrived at the official residence.

Prime Minister's schedule, June 24

NIHON KEIZAI (Page 2) (Full)

June 25

09:00

Appeared on a TV program at the NHK Chiyoda Broadcasting Hall at Kioi-cho.

09:47

Arrived at the official residence.

13:15

Left Haneda Airport by JAL 1259.

13:50

Arrived at Yamagata Airport. Greeted by Yamagata Governor Saito.

14:06

Inspected a cherry farm at Endo Farm in Higashine City.

15:08

Speech meeting hosted by the LDP's Yamagata Chapter at Yamagata Big Wing in Yamagata City.

16:14

Press conference at Yamagata Grand Hotel. Then met with Susumu Yamasawa, president of the Yamagata Chamber of Commerce and Industry. Lowe House member Toshiaki Endo was present.

18:26

Left JR Sendai Station by Hayate 28.

20:08

Arrived at JR Tokyo Station.

0:19

Arrived at the official residence.

4) "Mr. Hill's North Korea visit has produced a certain degree of results," says prime minister

YOMIURI (Page 2) (Full)
June 25, 2007

Touching on the North Korea visit by Assistant Secretary of State Christopher Hill, top US envoy to the six-party talks, Prime Minister Abe, in a speech delivered in Yamagata City, took the view that Hill's visit to Pyongyang had produced a certain degree of results for the US-North Korea talks. He noted, "Fortunately, an atmosphere has been created for the holding of six-party talks and

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for North Korea taking initial denuclearization steps, including the dismantlement of the Yongbyon facility, as agreed on in February." But he also pointed out, "We must carefully monitor whether North Korea will actually carry out that action."

5) Prime Minister Abe will "look now for action" by North Korea, stresses again the importance of resolving the abduction issue

NIKKEI (Page 2) (Full)
June 23, 2007

Commenting last evening on North Korea's having indicated its intention to carry out such commitments in the six-party agreement as shutting down and sealing a nuclear facility, Prime Minister Shinzo Abe pointed out last evening, "We must watch now to make sure this shows up in its actions, not just in its words." He then added: "Since the abduction issue is Japan's highest priority challenge, we must resolve it by cooperating with the international community." He was answering questions from the press core at his official residence.

The government evaluates as "a first step forward" (senior Foreign Ministry official) the revealing that North Korea discussed the first stage measure as "the next step." However, the issue of transferring North Korea's funds, which became the reason for the delay in carrying out the first stage of the agreement, was never in the six-party agreement. Even if North Korea makes progress in carrying out the first stage, Japanese officials remain concerned, one saying, "The possibility cannot be denied that a new difficult problem might not emerge."

Japan is concerned, too, that there is little interest in the abduction issue among the concerned countries. Foreign Minister Aso in a telephone conversation with Secretary Rice on June 21 stressed this point about Assistant Secretary Hill's visit to Pyongyang: "We would like him to tackle the abduction issue head on with North Korea."

Hill in a press conference in Seoul stressed, "I urged them to tackle the resolution of the abduction issue," but according to aides to the prime minister, North Korea did not seem to respond with a forward-looking stance. The Japanese government plans to ask Hill, when he arrives in Tokyo on the 23rd, a day later than scheduled, to directly confirm North Korea's reaction and to give his outlook for the future course.

6) Hill tells Sasae, "DPRK will shut down its facility within three weeks"

YOMIURI (Page 1) (Full)
Eve., June 23, 2007

US Assistant Secretary of State Christopher Hill, the chief US negotiator in the six-party talks, arrived in Japan this morning and met with his Japanese counterpart Kenichiro Sasae, director-general of the Foreign Ministry's Asian and Oceanian Affairs Bureau.

Hill said to Sasae that he confirmed during his meetings with North Korean Vice Foreign Minister Kim Kye Gwan, the chief negotiator in the six-party talks, and Foreign Minister Pak Ui Chun North Korea's will to fully implement the first-stage action, including shutdown of the nuclear facility in Yongbyon, in line with the February

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agreement. Hill told Sasae that the shutdown of the facility would be completed within three weeks. Both Japanese and US negotiators agreed to accelerate talks to push North Korea to implement "next-phase action," including disabling all the nuclear facility.

On the abduction issue, Hill told Sasae that he urged North Korea to address it positively, by noting, "Japan is the largest economic power in the world. It's important to improve relations with that country." On the other hand, Hill said, "There was no fresh response from the North Korean side."

7) No progress in sight on abductions of Japanese citizens by North Korea

NIKKEI (Page 2) (Excerpts)
June 24, 2007

Returning from North Korea, US Assistant Secretary of State Christopher Hill on June 23 met with Director-General Kenichiro Sasae of the Foreign Ministry's Asian and Oceanian Affairs Bureau and told Sasae that North Korea did not come up with a positive response toward resolving the issue of abductions of Japanese citizens by North Korea. The government and the ruling parties had previously presumed that if there had been a sign of the abduction issue making progress, that would have helped buoy the government and the ruling parties in the upcoming Upper House election, because Prime Minister Shinzo Abe attaches importance to the issue. But now some are expressing the concern that the stalled abduction issue could overshadow the election campaign.

"I told the North Korean side that it's important to improve relations with Japan and to resolve the abduction issue, among other issues," Hill said on June 23 and emphasized that he urged North Korea to resolve the abduction issue. But no favorable remark came from the North Korean side. Hill explained: "Because I have said that to North Korea at every opportunity, North Korea was not surprised by my remark. Its response was the same as the one it had taken before."

8) Hill's visit to Pyongyang: Japanese government heightens its concern about no progress on abduction issue prior to implementation of first stage of agreement

ASAHI (Page 2) (Full)
June 23, 2007

"Only the toes of the North Koreans can be seen sticking out," said a Foreign Ministry official. Voices of concern have quickly risen in the Japanese government about the United States and North Korea having taken a stance of accelerating their dialogue before progress on the abduction issue and prior to even the North fulfilling the first stage of measures leading to the scrapping of its nuclear program.

Even regarding Assistant Secretary of State Hill's statement of intention to see six-party talks resume in late July, officials are skeptical, one saying, "If you don't continue to pedal a bicycle, it will fall over."

Foreign Minister Aso, at a press conference on the 22nd, indicated his outlook that the six-party talks process would not move forward as well as the US expects, saying, "My sense is that just going (to

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Pyongyang) would not immediately lead to settling things."

An informed source on the Japanese side saw Hill as trying to grasp leadership over the entire six-party framework. Hill, who met on the June 19 in Tokyo with MOFA Asia-Pacific Bureau Director General Sasae proposed that instead of the usual dragged-out six-party talks, he as the senior delegate would have informal talks after which formal talks could be convened. He was thinking of a cabinet-level meeting in Beijing in mid-July. He floated the same idea in Pyongyang, as well. A government source said: "I sense that there will be a cabinet-level meeting. If there are no results from

such a meeting, nothing will change, even with a ministerial meeting."

On the other hand, regarding the priority issue of the abductions, there not even being any contacts with North Korea, Japan finds itself in the dilemma of staking its only chance on riding on progress between the US and North Korea.

This time, too, Hill was asked prior to his Pyongyang trip to bring up this issue with the North Koreans. A top Foreign Minister leader on June 22 acknowledged the reality that Japan was up against the wall on this issue, saying, "All we can do is to continue to talk about the abduction issue every chance we get."

9) Editorial: North Korea urged to take concrete action toward scrapping of nuclear program

YOMIURI (Page 3) (Full)
June 23, 2007

Can North Korea be made to take concrete action toward its required carrying out of the dismantling of its nuclear program?

Assistant Secretary of State Hill, who is the United States' top envoy to the six-party talks, traveled to Pyongyang where he met with North Korea's foreign minister and other senior officials. North Korea is still not implementing first-stage measures that it had promised at the six-party talks in February to do within 60 days.

Saying, "I would like to make up for lost time," the assistant secretary transmitted his intention to bring about progress in the

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process of the North's scrapping its nuclear program, and he stated that North Korea has indicated a desire to fulfill the agreement, such as shutting down a nuclear facility.

North Korea last week announced that it would allow an IAEA delegation into the country. The US in keeping with the Feb. agreement worked to bring about the return of funds to North Korea that had been frozen in a Macao bank. The effort to remit the money finally is being carried out.

It is only natural to ask North Korea now to quickly carry out its obligations. The problem is how far Pyongyang is willing to go in scrapping its nuclear program.

In the next stage that will follow the first one, North Korea must report all of its nuclear plans and render inoperable its existing nuclear facilities. However, on the key issue of scrapping its nuclear weapons and existing plutonium, talks have yet to be carried out.

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Even in negotiations on the next stage, it is difficult to think that North Korea will take kindly to acknowledging its uranium enrichment program and respond by dismantling that nuclear facility. That is because it considers its nuclear weapons to be its single, most important card to play in order to guarantee the security of its own country. It likely wants to obtain if possible something in return by coming out with unreasonable demands, such as being offered light-water reactors.

If it carries out the first stage measures, it would activate the diplomatic activities of concerned countries, such as the convening of a meeting of the foreign ministers of the six countries. The problem is whether the other five countries, Japan, the US, China, Republic of Korea, and Russia can agree on the action to be taken. The responses of the other countries must not fall out of line, giving North Korea the chance it has been waiting for.

For Japan, it is crucial that close relations with the US continue to be upheld. In the Feb. agreement, the US promised to start efforts to remove North Korea from the list of countries designated

as terrorist-sponsoring states. North Korea asked that its name be removed, its nuclear program scrapping premised on the US ending its policy of regarding North Korea as its enemy. However, it is difficult for Japan to accept such unless the current situation of no progress on the abduction issue front is ended.

Prior to Assistant Secretary Hill's visit to Pyongyang, Foreign Minister Aso, in a telephone conversation with Secretary Rice, asked the US to work on North Korea to address its bilateral issues with Japan, including the abductions. The assistant secretary said he urged the North to have talks with Japan on the abduction issue.

Japan must continue to maintain its stance of seeking a comprehensive resolution of the North Korea problem that includes the nuclear, abduction, and the missile issues.

10) Editorial: Do not destroy the cooperation on nuclear non-proliferation between Japan and US

MAINICHI (Page 5) (Excerpt)
June 23, 2007

"All of us have been waiting for you," said Yi Gun, America Bureau director general, displaying the North Korean sense of satisfaction. Yi had come out to greet the arrival in Pyongyang of Assistant Secretary of State Hill, the chief delegate to the six-party talks.

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When Hill left North Korea, he stated, "We had good talks." North Korea reportedly told him its intention to carry out the first-stage measures, which included shutting down and sealing a nuclear facility. We would like to welcome this development at this stage, but we note that actions are more important than words.

This was the first visit to Pyongyang by a senior US official since then Assistant Secretary of State Kelly in October 2002. Immediately before Hill's surprise visit to North Korea, the effort of transmitting North Korea's funds in the BDA was completed. Since the BDA issue allowed the North to gain advantage by complaining, that country welcomed the visit of Hill with the first stage of the measures still unaccomplished. For the North Koreans, there could not have been a better measure of their success.

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Hill met with North Korean Foreign Minister Pak Ui Chun and Vice Foreign Minister Kim Gye Gwan. After the visit, in a press conference in Seoul, Hill said the North Koreans stated that they were ready, in addition to implementing the first stage measures, to go on to the next step of rendering inoperative the Yongbyon nuclear facility.

However, it is only natural that the North carry out the agreement (first stage measures) reached at the six-party talks, once the BDA issue is generally tidied up. We were concerned by Hill's view on North Korea's denuclearization, namely, that it was conceivable that it would take some time. Is he saying that during the Bush administration, it would not be possible to resolve the North Korea nuclear problem? Moreover, in order to have a denuclearized North Korea, it is necessary to know what the complete nuclear program is. There was no detailed explanation about what sort of talks there would be on the North presenting a comprehensive list. On this point, too, we remain dissatisfied.

11) "Negative" advertisement in US on wartime comfort-women issue backfires with House resolution calling for apology likely to be put to vote tomorrow

MAINICHI (Page 2) (Full)
June 25, 2007

Masaya Oikawa, Washington

The US House Committee on Foreign Affairs is to take a vote tomorrow on the resolution calling on Japan to apologize for the wartime comfort-women issue. The resolution is expected to be adopted. In

that case, the resolution will be the second one that has cleared committee, following the one last year. The focus is on whether the resolution will clear the full session of the House.

The resolution is set to be put to the vote tomorrow morning (late at night, Japan time of that day). The resolution was introduced in late January by Japanese-American Representative Mike Honda (D-CA). The co-sponsors of the resolution have now numbered 145 out of the 435 House of Representatives as of June 23 amid the growing interest in former comfort women as a human rights issue because of their miserable circumstances. The resolution is certain to be adopted with Committee Chairman Tom Lantos, as well, likely to favor it.

At one point the resolution was scheduled to be put to the vote after Prime Minister Shinzo Abe's visit to the United States in late April, but the vote was tabled.

However, observers note that because a bipartisan group of Japanese lawmakers, journalists and others put a full-page advertisement in the Washington Post in its June 14 edition that went, "No historical documents have been found to prove that the former Imperial Japanese Army forced comfort women to work as prostitutes," objections to Japan's attitude have grown stronger. Japanese Ambassador to the US Ryozo Kato on June 20 revealed: "I was asked about (the full-page advertisement) by US government officials and members of Congress."

The Japanese government, in its effort to block the adoption of the resolution, expressed sympathy toward comfort women through the prime minister's meetings with Lantos and House Speaker Nancy Pelosi during his tour of the US. But because South Korean-affiliated organizations continued to lobby for the resolution, Japan was

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unable to block the vote-taking.

12) DEFENSE & SECURITY

USFJ commander: Japan's share of relocation cost would be cheaper than war

AKAHATA (Page 2) (Full)
June 23, 2007

USFJ Commander Lt. Gen. Bruce Wright delivering a speech in Tokyo on June 22 indicated that Japan's share of expenses for USFJ realignment estimated at over 3 trillion yen was just. He said, "Defense is costly, but it is cheaper than war."

The commander said: "In estimation, Japan's share would come to 26 billion dollars (3.22 trillion yen)."

US Deputy Defense Undersecretary Richard Lawless mentioned the figure 26 billion dollars last March. Wright became the first USFJ commander to refer to that figure.

Wright also pointed out that: (1) the United States annually disburses 5 billion dollars for USFJ personnel and equipment, and (2) Japan's military spending to GDP is less than 1 % , while that of the United States is over 3.5 % . The commander pressed Japan to shoulder a large portion of the realignment costs, saying: "Although it seems large, if war broke out in this region, military spending would increase at an exponential rate."

A newly-launched blue-ribbon panel on the right to collective self-defense has been studying the propriety of intercepting a ballistic missile fired at the United States. Touching on that new development, Wright said: "We appreciate such a discussion on a policy level. Once the discussion becomes mature and guidelines are shown to US forces and the Self-Defense Forces, who and at what point such a missile should be shot down would become clear."

13) USFJ Commander: Leak of Aegis data "very serious"

NIKKEI (Page 2) (Full)
June 23, 2007

Speaking to the press corps in Tokyo on June 22, US Forces Japan Commander Lt. Gen. Wright called the incident of Aegis data belonging to the Maritime Self-Defense Force having been leaked a "very serious national-security issue." He stated that in his view it would be necessary for Japan and the United States to make joint efforts to determine the contents of the leaked data and take steps to correct the problem. Referring to the blue-ribbon panel appointed by Prime Minister Abe to consider the possible use of the right of collective-self defense, the commander welcomed the move, saying, "I highly appreciate it."

On the temporary deployment from Feb. to May of the US' state-of-the-art F-22A Raptors, he noted, "The aircraft's first overseas deployment ended successfully."

14) MD accuracy at 99 % : Kyuma

MAINICHI (Page 2) (Slightly abridged)
June 25, 2007

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Defense Minister Fumio Kyuma delivered a speech yesterday at a hotel in Miyakojima City, Okinawa Prefecture. In his speech there, Kyuma referred to how Japan will defend itself if and when it comes under attack from foreign countries like North Korea with their ballistic missiles. "The current missile defense (MD) system can do away with 99 % ," Kyuma said. Japan's MD readiness is a two-tier system consisting of the Standard Missile 3 (SM-3), a sea-based missile intercept system, and the Patriot Advanced Capability 3 (PAC-3), a ground-based system. "The SM-3 can intercept more than 90 % ," Kyuma said. "The PAC-3 will shoot down 90 % of the rest," he added.

Meanwhile, the Defense Ministry recently sent the Maritime Self-Defense Force to conduct an on-the-spot environmental survey for the planned relocation of the US military's Futenma airfield. "From now on, we will not have to do such a thing, and I think things will go smoothly," Kyuma said. With this, he indicated that the Self-Defense Forces would not be mobilized for Futenma relocation.

SCHIEFFER